

RESOLUTION

CITY OF LOS ANGELES

A RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF A BOND BY THE CITY OF LOS ANGELES DESIGNATED MULTIFAMILY HOUSING REVENUE BOND (BROADWAY VILLAS SENIORS APARTMENTS) SERIES 2012B IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$7,479,629 TO PROVIDE PERMANENT FINANCING FOR THE ACQUISITION AND CONSTRUCTION OF THE MULTIFAMILY HOUSING PROJECT SPECIFIED IN PARAGRAPH 16 HERETO AND APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS AND AGREEMENTS AND THE TAKING OF RELATED ACTIONS.

WHEREAS, the City of Los Angeles (the “City”) is authorized, pursuant to the provisions of Section 248, as amended, of the City Charter of the City and Article 6.3 of Chapter 1 of Division 11 of the Los Angeles Administrative Code, as amended (the “Law”) and in accordance with the provisions of Chapter 7 of Part 5 of Division 31 of the Health and Safety Code of the State of California (the “Act”), to issue its revenue bonds for the purposes of providing permanent financing for the acquisition and construction of multifamily rental housing for persons and families of low or moderate income (the “Program”); and

WHEREAS, the City now desires to issue pursuant to the Law and in accordance with the Act its revenue bond to provide permanent financing for the acquisition and construction of the multifamily rental housing project described in paragraph 16 hereof (the “Project”); and

WHEREAS, the Project is located wholly within the City; and

WHEREAS, it is in the public interest and for the public benefit that the City authorize the financing of the Project, and it is within the powers of the City to provide for such a financing and the issuance of such bond; and

WHEREAS, the City proposes to issue, pursuant to the Law and in accordance with the Act, its Multifamily Housing Revenue Bond (Broadway Villas Seniors Apartments) Series 2012B (the “Bond”) in a principal amount not to exceed \$7,479,629; and

WHEREAS, the City proposes to use the proceeds of the Bond to finance a portion of the acquisition and construction of the Project; and

WHEREAS, U.S. Bank National Association, or a subsidiary or affiliate thereof (the “Purchaser”) has expressed its intention to purchase (or to cause a subsidiary or affiliate to purchase) the Bond authorized hereby in whole, and this Council (the “City Council”) finds that

the public interest and necessity require that the City at this time make arrangements for the sale of such Bond; and

WHEREAS, the interest on the Bond may qualify for a federal tax exemption under Section 142(a)(7) of the Internal Revenue Code of 1986 (the "Code") only if the Bond is approved in accordance with Section 147(f) of the Code; and

WHEREAS, pursuant to the Code, the Bond is required to be approved, following a public hearing, by an elected representative of the issuer of the Bond and an elected representative of the governmental unit having jurisdiction over the area in which the Project is located; and

WHEREAS, this City Council is the elected legislative body of the City and is the applicable elected representative required to approve the issuance of the Bond within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the City caused a notice to appear in the *Los Angeles Times*, which is a newspaper of general circulation in the City, on December 13, 2010, to the effect that a public hearing would be held on December 27, 2010 regarding the issuance of the Bond; and

WHEREAS, the Los Angeles Housing Department held the said public hearing on such date, at which time an opportunity was provided to present arguments both for and against the issuance of the Bond; and

WHEREAS, the minutes of such public hearing, and any written comments received with respect thereto, have been presented to this City Council;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Los Angeles, as follows:

1. The recitals hereinabove set forth are true and correct, and this City Council so finds. This Resolution is being adopted pursuant to the Law.
2. Pursuant to the Law and in accordance with the Act and the Indenture (as hereinafter defined) a revenue bond of the City, to be designated as "City of Los Angeles Multifamily Housing Revenue Bond (Broadway Villas Seniors Apartments) Series 2012B" in a principal amount not to exceed \$7,479,629, is hereby authorized to be issued. The amount of the Bond to be issued shall be determined by a Designated Officer (as defined below) in accordance with this Resolution.
3. The proposed form of Indenture of Trust (the "Indenture"), by and among the City, the Purchaser as Bondowner Representative and such trustee as appearing in the final form of Indenture executed by a below-defined Designated Officer (the "Trustee"), in substantially the form attached hereto, is hereby approved. Each of the Mayor of the City, the General Manager, any Assistant General Manager or any Interim General Manager, Interim Assistant General Manager, Executive Officer or Director-Major Projects Division of the Los Angeles Housing Department (each hereinafter referred to as

a “Designated Officer”) is hereby authorized and directed, for and in the name and on behalf of the City, to execute the Indenture, with such additions, changes or corrections as the Designated Officer may approve upon consultation with the City Attorney and Bond Counsel and approval by the City Attorney, such approval to be conclusively evidenced by the execution of the Indenture with such additions, changes or corrections.

Any Designated Officer shall be authorized to approve the appointment of the Trustee.

4. The proposed form of Loan Agreement (the “Loan Agreement”), by and among the City, the Purchaser as Bondowner Representative and the Project owner (as set forth in paragraph 16 hereof, the “Owner”), in substantially the form attached hereto, is hereby approved. Any Designated Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute the Loan Agreement, with such additions, changes or corrections as the Designated Officer may approve upon consultation with the City Attorney and Bond Counsel and approval by the City Attorney, such approval to be conclusively evidenced by the execution of the Loan Agreement with such additions, changes or corrections.

5. The proposed form of the Bond, as set forth in the Indenture, is hereby approved, and the Mayor and City Treasurer, Interim City Treasurer or Assistant City Treasurer of the City are hereby authorized and directed to execute, by manual or facsimile signatures of such officers under the seal of the City, the Bond in substantially such form, and the Designated Officers are hereby authorized and directed to deliver the Bond to the Trustee in accordance with the Indenture. The date, maturity dates, interest rate or rates (which may be either fixed or variable), interest payment dates, denominations, form of registration privileges, manner of execution, place of payment, terms of redemption, use of proceeds, series designations and other terms of the Bond shall be as provided in the Indenture as finally executed; provided, however, that the aggregate principal amount of the Bond shall not exceed \$7,479,629, the interest rate on the Bond shall not exceed 12% per annum, and the final maturity of the Bond shall be no later than March 1, 2052. The Bond may, if so provided in the Indenture, be issued as a “draw-down” bond to be funded over time as provided in the Indenture. Such Bond may be delivered in temporary form pursuant to the Indenture if, in the judgment of the City Attorney, delivery in such form is necessary or appropriate until the Bond in definitive form can be prepared.

6. The proposed form of Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) to be entered into by and among the City, the Trustee and the Owner, substantially in the form attached hereto, is hereby approved. Any Designated Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Regulatory Agreement, with such additions, changes and corrections as the Designated Officer may approve upon consultation with the City Attorney and Bond Counsel and approval of the City Attorney, such approval to be conclusively evidenced by the execution of said Regulatory Agreements with such additions, changes or corrections. Any Designated Officer is hereby authorized and

directed for and in the name and on behalf of the City to execute amendments to the Regulatory Agreement in order that interest on the Bond remains tax-exempt.

7. All actions heretofore taken by the officers and agents of the City with respect to the sale and issuance of the Bond are hereby approved, confirmed and ratified, and each Designated Officer of the City, the City Clerk and other properly authorized officers of the City are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including, but not limited to, those described in the Indenture and the other documents herein approved, and including, if deemed desirable by any Designated Officer, a letter or letters of representation to The Depository Trust Company, if the Bond is to be issued in book-entry form only, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bond and the implementation of the Program in accordance with the Act and the Law and this Resolution and resolutions heretofore adopted by the City.

8. The City Clerk of the City or any deputy thereof is hereby authorized to countersign or to attest the signature of any Designated Officer and to affix and attest the seal of the City as may be appropriate in connection with the execution and delivery of any of the documents authorized by this resolution, provided that the due execution and delivery of said documents or any of them shall not depend on such signature of the City Clerk or any deputy thereof or affixing of such seal. Any of such documents may be executed in multiple counterparts.

9. In addition to the Designated Officers, any official of the City, including any official of the Los Angeles Housing Department, as shall be authorized in writing by the Mayor of the City, is hereby authorized for and on behalf of the City to execute and deliver any of the agreements, certificates and other documents, except the Bond, authorized by this Resolution.

10. In accordance with procedures established by the City Charter, the City Council, by adoption and approval of this Resolution and with the concurrence of the Mayor, does hereby direct that the proceeds of the Bond be delivered directly to the Trustee, instead of the City Treasurer, to be deposited into the funds and accounts established under the Indenture.

11. Pursuant to Section 147(f) of the Code, the City Council hereby approves the issuance of the Bond to finance the Project. It is intended that this Resolution constitute approval of the Bond by the applicable elected representative of the issuer of the Bond and the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with said Section 147(f).

12. Pursuant to the City Charter all agreements to which the City is a party shall be subject to approval by the City Attorney as to form.

13. Each Designated Officer and other properly authorized officials of the City as specifically authorized under this Resolution are hereby authorized, directed and empowered on behalf of the City and this Council to execute any other additional applications, certificates, agreements, documents or other instruments or any amendments or supplements thereto, subject to approval by the City Attorney as to form, or to do and to cause to be done any and all other acts and things as they may deem necessary or appropriate to carry out the purpose of the foregoing authorizations and to address any issues arising with respect to the Bond or the agreements relating thereto subsequent to their issuance.

14. The Bond shall contain a recital that it is issued pursuant to the Law and in accordance with the Act.

15. This Resolution shall take effect immediately upon its passage and adoption.

16. The “Project” and “Owner” referred to herein are as follows:

Project Name	# of Units	Address	Owner
Broadway Villas Seniors Apartments	48, plus one manager unit	9425 South Spring Street, Los Angeles, CA 90003	AMCAL Broadway Fund, L.P.

I certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting on _____, 2012.

By _____
Title _____